

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6916**

**BILL NUMBER:** HB 1147

**NOTE PREPARED:** Feb 3, 2004

**BILL AMENDED:** Feb 2, 2004

**SUBJECT:** Year of Manufacture Antique License Plates.

**FIRST AUTHOR:** Rep. Crooks

**FIRST SPONSOR:**

**BILL STATUS:** 2<sup>nd</sup> Reading - 1<sup>st</sup> House

**FUNDS AFFECTED:**     **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill, after December 31, 2005, (1) authorizes a person registering an antique motor vehicle at least 40 years old to display an authentic license plate or a reproduction of an authentic license plate from the model year on the antique motor vehicle; (2) specifies that the number used on an antique motor vehicle plate may not be reused; (3) sets a service charge of \$25 for the display of the antique or reproduction plate in addition to the regular registration fees, to be paid to the Bureau of Motor Vehicles (BMV); (4) after December 31, 2004, removes certain color and design requirements for antique motor vehicle license plates; and (5) makes conforming changes.

**Effective Date:** July 1, 2004.

**Explanation of State Expenditures:** (Revised) (1) The BMV reports that there will be extensive computer changes for the display of an authentic license plate or a reproduction of an authentic license plate for an antique motor vehicle at least 40 years old. According to the BMV, the \$25 service charge provided in the bill would be sufficient to cover the cost of the computer changes. Antique vehicles less than 40 years old are not affected by the bill. The fund affected is the Motor Vehicle Highway Account, which supports the BMV.

*Background Information:* Over the last five calendar years, the BMV has registered, on average, 7,779 antique motor vehicles. An antique motor vehicle is a vehicle which is 25 years old or older.

(2) The bill specifies that the number used on an antique motor vehicle plate may not be reused. This is current practice with every other specialty plate produced by the BMV and will have no fiscal impact.

(4) After December 31, 2004, certain color and design requirements for antique motor vehicle license plates are eliminated. The specific impact will depend upon the design of the new antique license plate and the

number of colors used. Below is an example of the costs associated with a newly designed license plate for the 2003-2005 biennium..

Prison Enterprise Network (PEN Products), the manufacturing arm of prison-made products, submits charges to the BMV based on the number of colors in the design as shown in the schedule below:

<u>Colors</u>	<u>Set-Up Charge</u>	<u>Price Per Plate</u>
1	\$198.58	\$4.30
2	\$272.16	\$4.30
3	\$345.74	\$4.30
4	\$419.32	\$4.30
5	\$492.90	\$4.30
6	\$566.48	\$4.30

The above prices are effective for the 2003-2005 biennium.

Additional charges include \$75 per color for any special colors that are not included in PEN's ten standard colors. If PEN Products does the artwork, there is a \$45-per-hour charge. Origination fees include the film positives and the silk screen charges and total \$73.58 per plate design. When the art work is provided by the customer, the set-up fee is \$17.50. The fund affected for PEN Products is PEN Products Revolving Fund. There will be computer and accounting changes for the BMV. The fund affected for the BMV is the Motor Vehicle Highway Account (MVHA) which supports the BMV.

**Explanation of State Revenues:** (Revised) (3) The bill establishes a \$25 service charge. The revenue generated will depend upon the number of owners of antique vehicles 40 years old or older who wish to display the authentic license plate or a reproduction of an authentic license plate. The percentage of the 7,779 antique motor vehicles that may fall under this provision is unknown. If 25% to 50% of the antique motor vehicles register under this provision, the additional revenue would range from \$50,000 to \$100,000. The fund affected is the State License Branch Fund, which supports the 170 state license branches.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Bureau of Motor Vehicles; Bureau of Motor Vehicles Commission; State Police.

**Local Agencies Affected:** Local law enforcement agencies.

**Information Sources:** Jane Morrical, Director of Treasury of the BMV, 317- 232-2822; RBP 99 reports for the last five calendar years.

**Fiscal Analyst:** James Sperlik, 317-232-9866.